

Memorandum

City of Tempe



To: Mayor & Council

From: Janice M. Schaefer (Ext. 8036)
Economic Development Manager

Re: Hospitality Market Feasibility Report

Date: January 8, 2004

Attached is the final report from C.H. Johnson Consulting in association with Conventional Wisdom Corporation on a market feasibility study for a hotel and conference center in the Rio Salado/Downtown Tempe corridor.

Highlights of the recommendations in the report include:

- Pursue the idea of an 110,000 sq. ft. convention center (70,000 sq. ft. of exhibit space, a 20,000 sq. ft. ballroom and 20,000 sq. ft. of supporting meeting space) in the downtown/Town Lake area. The land at the northwest corner of Third Street and Mill Avenue is the recommended site for an urban convention center. A location on the SunCor/ASU property at Town Lake is another choice.
- Partner with Arizona State University on a conference center (250-300 rooms and 40,000 sq. ft. of meeting space) in the Hayden Ferry Lakeside area. Other possible locations are also mentioned in the report.
- Recommend that the Tempe Mission Palms expand by 250-300 rooms and add additional ballroom and meeting space.
- Attract another 1,200-1,500 new hotel rooms in multiple properties surrounding the potential convention center during the next 20 years.

Both Charlie Johnson of C.H. Johnson Consulting, Inc. and David O'Neal of Conventional Wisdom Corporation will be present at the Issue Review Session on January 15, 2004, to present the report and respond to any questions Council may have regarding the report.

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